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August 16, 2002

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Room TWB-204  
Washington, DC 20554

Re: Notice of Oral Ex Parte Communication:

In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket Nos. 01-338, 96-98 and 98-147

Appropriate Framework for Broadband Access to the Internet Over Wireline Facilities, CC Docket No. 02-33

Application by Qwest Communications International, Inc. for Authorization to Provide In-Region InterLATA Services in the States of Colorado, Idaho, Iowa, Nebraska and North Dakota, Docket No. 02-148

Application by Qwest Communications International, Inc. for Authorization to Provide In-Region InterLATA Services in the States of Montana, Utah, Washington and Wyoming, Docket No. 02-189

Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc. for Provision of In-Region, InterLATA Services in Alabama, et al., Docket No. 02-150

In the Matter of Federal-State Joint Board on Universal Service, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116

Dear Ms. Dortch:

Yesterday, James W. Cicconi, AT&T's General Counsel and Executive Vice President for Law and Government Affairs, met with Commissioner Kevin Martin. During the course of the meeting, the above-referenced proceedings were discussed. All of Mr. Cicconi's comments were consistent with the comments, pleadings and submissions previously filed by or on behalf of AT&T in the relevant proceedings.

More specifically, Mr. Cicconi affirmed AT&T's opposition to the reclassification of any wireline broadband service as an unregulated Title I service, noting that such a reclassification would produce broad and undesirable consequences, including the loss of the Commission's Section 214 authority over the provision of DSL services by the Bell Companies. Mr. Cicconi also noted that such reclassification was unnecessary to create broadband investment incentives because the current TELRIC rules are sufficiently flexible to fully compensate the Bell Companies for any new investment in facilities for the purpose of providing advanced services.

On the Triennial Review Proceeding, Mr. Cicconi noted that the economic and marketplace evidence in the record at this time fully supports AT&T's claim that the Commission should maintain the current list of UNEs in general and ensure the availability of UNE-P and broadband related elements in particular. More specifically, Mr. Cicconi discussed how CLECs would be impaired without access to unbundled local switching and noted that, before ULS could be eliminated as an available element, the Commission must both resolve the problems associated with the "hot cut" process thru the adoption of a reliable, electronic solution and address the other economic and operational hurdles that currently prevent CLECs from fully utilizing their switch facilities.

On Qwest's pending requests for Section 271 relief, Mr. Cicconi emphasized the need for immediate action on the evidence presented that Qwest tainted the process by silencing CLEC objections through the use of discriminatory, secret deals. Mr. Cicconi noted that Qwest engaged in this misconduct for the very purpose of securing 271 relief and that the Commission should not now reward Qwest's misconduct by granting their pending applications prior to completion of a thorough investigation of the evidence. Mr. Cicconi argued that Qwest's applications should be suspended pending completion of an investigation and enforcement activities. Mr. Cicconi further discussed other instances where the Bell Companies have run afoul of their statutory obligations, including BellSouth's recent admissions of illegal marketing, and argued that the Commission must step-up its enforcement activities before it can consider any further deregulation of the Bell Companies.

Finally, Mr. Cicconi reviewed AT&T's USF positions as described in coalition submissions, noting how the current revenue-based system is not sustainable and how the connection-based CoSUS plan would result in a sustainable, competitively-neutral USF assessment and recovery mechanism.

Consistent with Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the above-referenced proceedings.

Sincerely,

A handwritten signature in black ink, appearing to be 'JM' followed by a horizontal line.

Joan Marsh

cc: Kevin Martin, Commissioner  
Dan Gonzalez